

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

E

W-01351A

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

P. O. Box 356

ELFRIDA, AZ. 85610

ANNUAL REPORT

FOR YEAR ENDING

| | | |
|----|----|------|
| 12 | 31 | 2005 |
|----|----|------|

RECEIVED

JUN 02 2006

AZ CORP COMM
Director Utilities

FOR COMMISSION USE

| | |
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| ANN04 | 05 |
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entered
5-31-06
RF

COMPANY INFORMATION

| | | |
|---|--|---|
| Company Name (Business Name) <u>ELFRIDA DOMESTIC WATER USERS ASSOCIATION</u> | | |
| Mailing Address <u>P. O. BOX 356</u> | | |
| <u>Elfrida</u> (City) | <u>Arizona</u> (State) | <u>85610</u> (Zip) |
| <u>520-642-3559</u> Telephone No. (Include Area Code) | <u>520-642-1219</u> Fax No. (Include Area Code) | <u>520-266-3597</u> Pager/Cell No. (Include Area Code) |
| Email Address _____ | | |
| Local Office Mailing Address <u>Same</u> (Street) | | |
| _____ (City) | _____ (State) | _____ (Zip) |
| <u>Local Office Telephone No. (Include Area Code)</u> | <u>Fax No. (Include Area Code)</u> | <u>Pager/Cell No. (Include Area Code)</u> |
| Email Address _____ | | |

MANAGEMENT INFORMATION

| | | | |
|--|--|---|-----------------------|
| Management Contact: <u>Paul Hancock</u> | | | |
| <u>10858 N. Martineau</u> (Street) | <u>Elfrida,</u> (City) | <u>Arizona</u> (State) | <u>85610</u> (Zip) |
| <u>520-642-3559</u> Telephone No. (Include Area Code) | <u>520-642-1219</u> Fax No. (Include Area Code) | <u>520-266-3597</u> Pager/Cell No. (Include Area Code) | |
| Email Address _____ | | | |
| On Site Manager: <u>Same</u> (Name) | | | |
| _____ (Street) | _____ (City) | _____ (State) | _____ (Zip) |
| <u>Telephone No. (Include Area Code)</u> | <u>Fax No. (Include Area Code)</u> | <u>Pager/Cell No. (Include Area Code)</u> | |
| Email Address _____ | | | |

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

| | | | |
|--|--|---|----------------------|
| Statutory Agent: <u>Dale Mortenson</u> | | | |
| <small>(Name)</small> | | | |
| <u>P. O. BOX 96</u> | <u>Elfrida,</u> | <u>Arizona</u> | <u>85610</u> |
| <small>(Street)</small> | <small>(City)</small> | <small>(State)</small> | <small>(Zip)</small> |
| <u>520-642-3682</u> | | | |
| <small>Telephone No. (Include Area Code)</small> | <small>Fax No. (Include Area Code)</small> | <small>Pager/Cell No. (Include Area Code)</small> | |
| Attorney: <u>Paul A. Smith</u> | | | |
| <small>(Name)</small> | | | |
| <u>312 AZ. St. (P. O. Box 5645)</u> | <u>Bisbee</u> | <u>Arizona</u> | <u>85603</u> |
| <small>(Street)</small> | <small>(City)</small> | <small>(State)</small> | <small>(Zip)</small> |
| <u>520-432-6970</u> | | | |
| <small>Telephone No. (Include Area Code)</small> | <small>Fax No. (Include Area Code)</small> | <small>Pager/Cell No. (Include Area Code)</small> | |

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>A NON-STOCK CORPORATION</u> | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-05

UTILITY PLANT IN SERVICE

| Acct. No. | DESCRIPTION | Original Cost (OC) | Accumulated Depreciation (AD) | O.C.L.D. (OC less AD) |
|----------------------|---|-------------------------------|--|----------------------------------|
| 301 | Organization | | | |
| 302 | Franchises | | | |
| 303 | Land and Land Rights | | | |
| 304 | Structures and Improvements | 26,844 | 11,635 | 15,209 |
| 307 | Wells and Springs | 39,253 | 25,444 | 13,809 |
| 311 | Pumping Equipment | 69,566 | 24,662 | 44,904 |
| 320 | Water Treatment Equipment | | | |
| 330 | Distribution Reservoirs and Standpipes | 46,228 | 14,633 | 31,595 |
| 331 | Transmission and Distribution Mains | 160,605 | 78,765 | 81,840 |
| 333 | Services | 7,265 | 6,767 | 498 |
| 334 | Meters and Meter Installations | 9,330 | 6,985 | 2,345 |
| 335 | Hydrants | 673 | 673 | |
| 336 | Backflow Prevention Devices | | | |
| 339 | Other Plant and Misc. Equipment | | | |
| 340 | Office Furniture and Equipment | 916 | 276 | 640 |
| 341 | Transportation Equipment | | | |
| 343 | Tools, Shop and Garage Equipment | 4,190 | 1,257 | 2,933 |
| 344 | Laboratory Equipment | | | |
| 345 | Power Operated Equipment | | | |
| 346 | Communication Equipment | | | |
| 347 | Miscellaneous Equipment | | | |
| 348 | Other Tangible Plant | | | |
| | TOTALS | 364,870 | 171,097 | 193,773 |

This amount goes on the Balance Sheet Acct. No. 108 

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-05

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

| Acct. No. | DESCRIPTION | Original Cost (1) | Depreciation Percentage (2) | Depreciation Expense (1x2) |
|--------------|--|----------------------|-----------------------------------|----------------------------------|
| 301 | Organization | | | |
| 302 | Franchises | | | |
| 303 | Land and Land Rights | | | |
| 304 | Structures and Improvements | 26,844 | 8% | 2,147 |
| 307 | Wells and Springs | 39,253 | 5% | 1,963 |
| 311 | Pumping Equipment | 69,566 | 5% | 3,478 |
| 320 | Water Treatment Equipment | | | |
| 330 | Distribution Reservoirs and Standpipes | 46,228 | 5% | 2,312 |
| 331 | Transmission and Distribution Mains | 160,605 | 5% | 8,030 |
| 333 | Services | 7,265 | 5% | 363 |
| 334 | Meters and Meter Installations | 9,330 | 5% | 467 |
| 335 | Hydrants | 673 | 5% | - |
| 336 | Backflow Prevention Devices | | | |
| 339 | Other Plant and Misc. Equipment | | | |
| 340 | Office Furniture and Equipment | 916 | 10% | 92 |
| 341 | Transportation Equipment | | | |
| 343 | Tools, Shop and Garage Equipment | 4,190 | 10% | 419 |
| 344 | Laboratory Equipment | | | |
| 345 | Power Operated Equipment | | | |
| 346 | Communication Equipment | | | |
| 347 | Miscellaneous Equipment | | | |
| 348 | Other Tangible Plant | | | |
| | TOTALS | 364,870 | | 19,271 |

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-05

BALANCE SHEET

| Acct No. | | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|-------------|---|------------------------------------|------------------------------|
| | ASSETS | | |
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$ | \$ |
| 134 | Working Funds | 17,355 | 7,801 |
| 135 | Temporary Cash Investments | 2,467 | 3,257 |
| 141 | Customer Accounts Receivable | 1,228 | 2,276 |
| 146 | Notes/Receivables from Associated Companies | | |
| 151 | Plant Material and Supplies | 300 | |
| 162 | Prepayments | 4,544 | 6,725 |
| 174 | Miscellaneous Current and Accrued Assets | | |
| | TOTAL CURRENT AND ACCRUED ASSETS | \$ 25,894 | \$ 20,059 |
| | FIXED ASSETS | | |
| 101 | Utility Plant in Service | \$ 364,870 | \$ 364,870 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work in Progress | | |
| 108 | Accumulated Depreciation – Utility Plant | 151,826 | 171,097 |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation – Non Utility | | |
| | TOTAL FIXED ASSETS | \$ 213,044 | \$ 193,773 |
| | TOTAL ASSETS | \$ 238,938 | \$ 213,832 |

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

| Acct. No. | | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|--------------|---|------------------------------------|------------------------------|
| | LIABILITIES | | |
| | CURRENT LIABILITIES | | |
| 231 | Accounts Payable | \$ 2,250 | \$ |
| 232 | Notes Payable (Current Portion) | 13,086 | 13,086 |
| 234 | Notes/Accounts Payable to Associated Companies | | |
| 235 | Customer Deposits | 2,330 | 2,260 |
| 236 | Accrued Taxes | 1,740 | 2,657 |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | | |
| | TOTAL CURRENT LIABILITIES | \$ 19,406 | \$ 18,003 |
| | LONG-TERM DEBT (Over 12 Months) | | |
| 224 | Long-Term Notes and Bonds | \$ 118,768 | \$ 113,789 |
| | DEFERRED CREDITS | | |
| 251 | Unamortized Premium on Debt | \$ | \$ |
| 252 | Advances in Aid of Construction | | |
| 255 | Accumulated Deferred Investment Tax Credits | | |
| 271 | Contributions in Aid of Construction | 24,054 | 24,054 |
| 272 | Less: Amortization of Contributions | 6,345 | 7,595 |
| 281 | Accumulated Deferred Income Tax | | |
| | TOTAL DEFERRED CREDITS | \$ 17,709 | \$ 16,459 |
| | TOTAL LIABILITIES | \$ 155,883 | \$ 148,251 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ | \$ |
| 211 | Paid in Capital in Excess of Par Value | | |
| 215 | Retained Earnings | 83,055 | 65,581 |
| 218 | Proprietary Capital (Sole Props and Partnerships) | | |
| | TOTAL CAPITAL | \$ 83,055 | \$ 65,581 |
| | TOTAL LIABILITIES AND CAPITAL | \$ 238,938 | \$ 213,832 |

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR |
|-----------|---|---------------------|----------------------|
| 461 | Metered Water Revenue | \$ 59,891 | \$ 61,288 |
| 460 | Unmetered Water Revenue | | |
| 474 | Other Water Revenues | 1,303 | 264 |
| | TOTAL REVENUES | \$ 61,194 | \$ 61,552 |
| | | | |
| | OPERATING EXPENSES | | |
| 601 | Salaries and Wages | \$ 8,200 | \$ 11,829 |
| 610 | Purchased Water | | |
| 615 | Purchased Power | 11,811 | 11,556 |
| 618 | Chemicals | | |
| 620 | Repairs and Maintenance | 1,903 | 17,153 |
| 621 | Office Supplies and Expense | 2,935 | 2,344 |
| 630 | Outside Services | 2,933 | 1,271 |
| 635 | Water Testing | 2,361 | 2,041 |
| 641 | Rents | 3,176 | 3,176 |
| 650 | Transportation Expenses | 3,515 | 3,477 |
| 657 | Insurance – General Liability | 1,791 | 1,026 |
| 659 | Insurance - Health and Life | | |
| 666 | Regulatory Commission Expense – Rate Case | | |
| 675 | Miscellaneous Expense | 222 | 155 |
| 403 | Depreciation Expense | 19,271 | 19,271 |
| 408 | Taxes Other Than Income | 2,209 | 1,062 |
| 408.11 | Property Taxes | 2,811 | 1,507 |
| 409 | Income Tax | | |
| | TOTAL OPERATING EXPENSES | \$ 63,138 | \$ 75,868 |
| | | | |
| | OPERATING INCOME/(LOSS) | \$ (1,944) | \$ (14,316) |
| | | | |
| | OTHER INCOME/(EXPENSE) | | |
| 419 | Interest and Dividend Income | \$ | \$ |
| 421 | Non-Utility Income | | |
| 426 | Miscellaneous Non-Utility Expenses | | |
| 427 | Interest Expense | (1,050) | 4,108 |
| | TOTAL OTHER INCOME/(EXPENSE) | \$ 1,050 | \$ (4,108) |
| | | | |
| | NET INCOME/(LOSS) | \$ (894) | \$ (18,424) |

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-05

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

| | LOAN #1 | LOAN #2 | LOAN #3 | LOAN #4 |
|------------------------|---------------------------------------|----------------|----------------|----------------|
| Date Issued | 5-31-02 | | | |
| Source of Loan | WIFA | | | |
| ACC Decision No. | | | | |
| Reason for Loan | New well, Storage & Transmission Main | | | |
| Dollar Amount Issued | \$ 150,000 | \$ | \$ | \$ |
| Amount Outstanding | \$ 126,875 | \$ | \$ | \$ |
| Date of Maturity | 20 years | | | |
| Interest Rate | 3.083 % | % | % | % |
| Current Year Interest | \$ 4,108 | \$ | \$ | \$ |
| Current Year Principle | \$ 4,979 | \$ | \$ | \$ |

Meter Deposit Balance at Test Year End

\$ 2,260

Meter Deposits Refunded During the Test Year

\$ 240

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

WATER COMPANY PLANT DESCRIPTION

WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (Inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-573834 | 25 | 250 | 610' | 12" | 4" | 2001 |
| 55-608154 | 30 | 250 | 200" | 12" | 4" | |
| 55-608155 | 15 | 100 | 200' | 12" | 6" | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| | | |
| NONE | | |

| BOOSTER PUMPS | | FIRE HYDRANTS | |
|---------------|----------|-------------------|----------------|
| Horsepower | Quantity | Quantity Standard | Quantity Other |
| 10 | 2 | 17 | |
| | | | |
| | | | |
| | | | |

| STORAGE TANKS | | PRESSURE TANKS | |
|---------------|----------|----------------|----------|
| Capacity | Quantity | Capacity | Quantity |
| 55,000 Gal. | 1 | 6,000 Gal. | 1 |
| 30,000 Gal. | 1 | 5,000 Gal. | 1 |
| | | 5,000 Gal. | 1 |
| | | | |

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

| Size (in inches) | Material | Length (in feet) |
|------------------|----------------|------------------|
| 2 | PVC | 2,640 |
| 3 | Transite | 3,960 |
| 4 | PVC | 6,080 |
| 5 | | |
| 6 | Transite & PVC | 14,520 |
| 8 | | |
| 10 | | |
| 12 | | |
| | | |
| | | |
| | | |
| | | |
| | | |

CUSTOMER METERS

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 X 3/4 | |
| 3/4 | 187 |
| 1 | |
| 1 1/2 | |
| 2 | 5 |
| Comp. 3 | |
| Turbo 3 | |
| Comp. 4 | |
| Tube 4 | |
| Comp. 6 | |
| Tube 6 | |
| | |
| | |

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

2 - 24' X 24' X 8' Pump Houses

OTHER:

1 - Compactor

1 - Trash Pump

COMPANY NAME: ELFRIDA DOMESTIC WATER USERS ASSOCIATION

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

| MONTH | NUMBER OF CUSTOMERS | GALLONS SOLD | GALLON PUMPED (Thousands) |
|-----------|---------------------|--------------|------------------------------|
| JANUARY | 220 | 1,404,160 | 1,415 |
| FEBRUARY | 220 | 1,446,040 | 1,442 |
| MARCH | 222 | 1,184,900 | 1,190 |
| APRIL | 222 | 1,432,510 | 1,436 |
| MAY | 224 | 3,178,180 | 3,180 |
| JUNE | 224 | 2,533,390 | 2,542 |
| JULY | 222 | 3,509,650 | 3,510 |
| AUGUST | 222 | 12,090,540 | 12,104 |
| SEPTEMBER | 224 | 2,489,290 | 2,496 |
| OCTOBER | 226 | 2,614,160 | 2,620 |
| NOVEMBER | 228 | 2,473,010 | 2,530 |
| DECEMBER | 228 | 1,962,690 | 1,965 |
| TOTAL | | 36,318,520 | 36,430 |

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes

☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes

☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. None mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

YEAR ENDING 12/31/2005

PROPERTY TAXESAmount of actual property taxes paid during Calendar Year 2005 was: \$ 1,507

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. 05 Property TAX have NOT Been Paid.Because County has Waived TAX For Newer Propert. STATUSAm Trying to obtain better From County.Part 1

ELFRIDA DOMESTIC WATER USERS ASSOC. 2488
PAID TO: 20050000
ELFRIDA, AZ 85601
DATE: 4/14/05
PAY TO: Cochise Co. Treasurer
AMOUNT: \$ 1,506.68
ONE & 68/100 DOLLARS & CENTS
CASH ON HAND
FOR: 2005-06-01-06-30
POSTED: 4/14/05
2488

#2488 Posted 4/07/05 \$1,506.68

401068047 4405 4406-00 04-07-05
232882518
5346221636
6-26-95

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

| |
|--|
| COUNTY OF (COUNTY NAME) |
| COCHISE |
| NAME (OWNER OR OFFICIAL) TITLE |
| PAUL HAMMOCK |
| COMPANY NAME |
| ELFRIDA DOMESTIC WATER USERS ASSOCIATION |

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

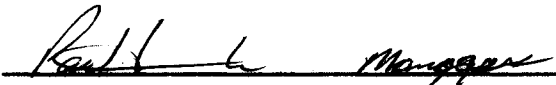
| | | |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12 | 31 | 2005 |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL
PAUL HAMMOCK 520-642-3559
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

31st

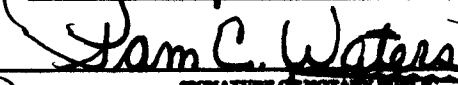
DAY OF

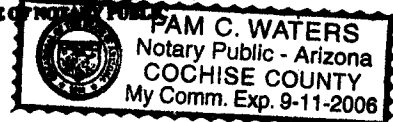
| | | |
|-------------|---------|------|
| COUNTY NAME | Cochise | |
| MONTH | May | 2006 |

(SEAL)

MY COMMISSION EXPIRES

September 11, 2006


SIGNATURE OF NOTARY PUBLIC



COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

YEAR ENDING 12/31/2005

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported -0-
Estimated or Actual Federal Tax Liability -0-

State Taxable Income Reported -0-
Estimated or Actual State Tax Liability -0-

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -0-
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

5-30-06
DATE

PAUL HAMMOCK
PRINTED NAME

MANAGER
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

| |
|--|
| COUNTY OF (COUNTY NAME) |
| COCHISE |
| NAME (OWNER OR OFFICIAL) TITLE |
| PAUL HAMMOCK |
| COMPANY NAME |
| ELFRIDA DOMESTIC WATER USERS ASSOCIATION |

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

| | | |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12 | 31 | 2005 |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 65,085

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 3,797

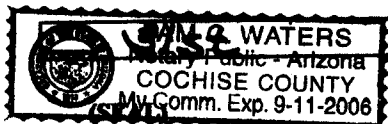
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL.)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

| | |
|-------------|---------|
| COUNTY NAME | Cochise |
| MONTH | May |
| YEAR | 2006 |

Paul Hammock
SIGNATURE OF OWNER OR OFFICIAL
PAUL HAMMOCK 520-642-3559
TELEPHONE NUMBER

Sam C. Waters
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES September 11, 2006

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

| | |
|---|-------------------------|
| COUNTY OF (COUNTY NAME) COCHISE | |
| NAME (OWNER OR OFFICIAL) PAUL HAMMOCK | TITLE MANAGER |
| COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION | |

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

| | | |
|--------------|------------|-------------|
| MONTH | DAY | YEAR |
| 12 | 31 | 2005 |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 65,085

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 3,797
IN SALES TAXES BILLED, OR COLLECTED)**

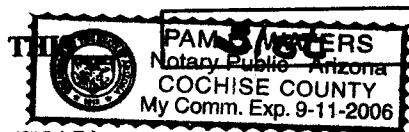
***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Paul Hammock
SIGNATURE OF OWNER OR OFFICIAL

PAUL HAMMOCK 520-642-3559
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



(SEAL)

DAY OF

| | |
|--|---------------------|
| NOTARY PUBLIC NAME Pam C. Waters | |
| COUNTY NAME Cochise | |
| MONTH MAY | YEAR 2006 |

X *Pam C. Waters*
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

September 11, 2006